



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-0402

*Handwritten initials*



October 1, 2004

Margaret U. Hodgson  
First Vice President and Senior Attorney  
SunTrust Banks, Inc.  
GA-Atlanta-0643  
Post Office Box 4418  
Atlanta, GA 30302

Act: 1934  
Section: \_\_\_\_\_  
Rule: 14A-8  
Public  
Availability: 10/1/2004

Re: SunTrust Banks, Inc.  
Incoming letter dated August 26, 2004

Dear Ms. Hodgson:

This is in response to your letters dated August 26, 2004 and September 27, 2004 concerning the shareholder proposal submitted to SunTrust by Domini Social Investments LLC. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

PROCESSED  
3 OCT 07 2004  
THOMSON  
FINANCIAL

Sincerely,

*Jonathan A. Ingram*  
Jonathan A. Ingram  
Deputy Chief Counsel

Enclosures

cc: Adam Kanzer  
General Counsel and Director of Shareholder Advocacy  
Domini Social Investments LLC  
536 Broadway, 7<sup>th</sup> Floor  
New York, NY 10012-3915

750556



VIA OVERNIGHT MAIL

August 26, 2004

Ms. Grace K. Lee  
U.S. Securities and Exchange Commission  
Office of Chief Counsel  
450 Fifth Street, NW  
Washington, DC 20549

Re: No Action Request for Shareholder Proposal

Dear Ms. Lee:

As you know from our previous letter dated August 9, 2004, SunTrust Banks, Inc. received a fax from Mr. Adam Kanzer of Domini Social Investments LLC requesting that a shareholder proposal be included in SunTrust's special meeting regarding its merger with National Commerce Financial Corporation. The fax we received was simply the cover page, and did not contain the actual proposal. At that time, however, the proxy statement was already printed and mailed. Subsequently, we received in the mail the original letter with a copy of proposal attached. At that point, the proxy statement had not only been printed and mailed, but had probably been received by most shareholders. Therefore, we believe that under Rule 14a-8(e)(2) the proposal was submitted too late to be included in SunTrust's proxy statement. We are asking the SEC for no action relief on this matter.

As required by Rule 14a-8, enclosed are six copies of this letter and the attachment. If you have any questions or comments, please feel free to call me at the above number. We look forward to your response.

Sincerely,

Margaret U. Hodgson

MUH/lps  
Attachments

Copy to: Mr. Adam Kanzer  
Domini Social Investments LLC

August 6, 2004

Mr. Ray Fortin  
General Counsel and Corporate Secretary  
SunTrust Banks, Inc.  
Post Office Box 4418  
Mail Code 643  
Atlanta, GA 30302

By UPS and Fax to: (404) 724-3550

Re: Shareholder Proposal for SunTrust Special meeting of Shareholders

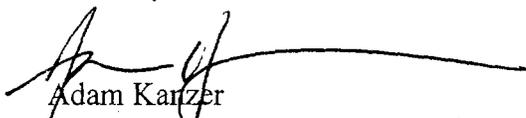
Dear Mr. Fortin:

I am writing to you on behalf of Domini Social Investments, the manager of a socially responsible family of funds based on the Domini 400 Social Index, including the Domini Social Equity Fund, the nation's oldest and largest socially and environmentally screened index fund. Our funds' portfolio holds more than 77,000 shares of SunTrust stock.

In accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Act of 1934, the attached proposal is submitted for inclusion in the proxy and for consideration by shareholders at the SunTrust special meeting regarding the company's merger with National Commerce Financial Corporation ('the special meeting'). We have held over \$2,000 shares of SunTrust stock for greater than one year, and intend to maintain ownership of the required number of shares through the date of the special meeting, and the next stockholder's annual meeting. A letter verifying our ownership of SunTrust shares from Investors Bank and Trust, custodian of our Portfolio, is forthcoming under separate cover. A representative of Domini Social Investments will attend the special meeting to move the resolution as required by SEC Rules.

For any correspondence regarding the resolution, I can be reached at 212-217-1027, or via email at [akanzer@domini.com](mailto:akanzer@domini.com).

Sincerely,

  
Adam Kanzer  
General Counsel and Director of Shareholder Advocacy  
Domini Social Investments



**SHAREHOLDER APPROVAL OF MERGER-RELATED EXECUTIVE COMPENSATION  
AND SEVERANCE PAY**

In our company's pending merger with National Commerce Financial Corporation ("NCF"), executives of NCF will receive bonuses and severance payments of more than \$17 million. We do not believe the company has justified how such payments create value for shareholders. We do not believe these payments create incentives for future performance of the company, and therefore think these payments should be subject to additional review and shareholder approval.

WHEREAS:

The board of directors of SunTrust Banks, Inc. ("SunTrust") and National Commerce Financial Corporation ("NCF") have adopted and approved an agreement to merge NCF and SunTrust.

NCF will merge with and into SunTrust and SunTrust will survive the merger (the "Surviving Company").

We believe that top executives of both NCF and SunTrust receive more than adequate compensation (which includes base salary, bonuses, stock grants, stock options, retirement plans and severance packages, among other benefits) as part of their overall compensation package.

Seven NCF top executives will receive additional compensation of approximately \$17 million in severance and merger related payments, as described in the joint proxy statement-prospectus filed by NCF and SunTrust with the Securities and Exchange Commission on June 3, 2004, as may be further amended.

We believe that the additional severance and merger related payments are excessive and have no connection to the top executives' past performance as NCF executives. In North Carolina, NCF operates as the Central Carolina Bank (CCB). According to the Community Reinvestment Association of North Carolina ("CRA-NC"), the bank has not fulfilled the terms of a community investment agreement made with CRA-NC in 2000, when NCF acquired CCB. CRA-NC has also expressed concern that SunTrust's mortgage lending disadvantages African-Americans.

In our view, excessive severance payments and merger related compensation to former NCF top executives will not provide former NCF top executives (many of whom will continue to be top executives at the Surviving Company) with an incentive to maximize the long-term value for shareholders of the Surviving Company.

We believe that these severance and merger related payments will decrease the overall value of the Surviving Company and may impair the success of the merger while imposing additional costs on shareholders.

We believe that shareholders that support this merger but believe that these merger-related compensation packages are excessive should have an opportunity to vote separately on these compensation and severance packages.

RESOLVED:

Shareholders request that the Board of Directors implement a policy requiring shareholder approval of executive severance payments or compensation plans that include merger-related compensation or severance payments that total more than the executive's annual salary.



**VIA FACSIMILE AND  
OVERNIGHT MAIL**

September 27, 2004

Ms. Heather Maples  
U.S. Securities and Exchange Commission  
Office of Chief Counsel  
450 Fifth Street, NW  
Washington, DC 20549

Re: No Action Request for Shareholder Proposal

Dear Ms. Maples:

As you know from our previous letter dated August 9, 2004, SunTrust Banks, Inc. received a fax from Mr. Adam Kanzer of Domini Social Investments LLC requesting that a shareholder proposal be included in SunTrust's special meeting regarding its merger with National Commerce Financial Corporation. The fax we received was simply the cover page, and did not contain the actual proposal. At that time, however, the proxy statement was already printed and mailed. Subsequently, we received in the mail the original letter with a copy of proposal attached. At that point, the proxy statement had not only been printed and mailed, but had probably been received by most shareholders. Therefore, we believe that under Rule 14a-8(e)(3) the proposal was submitted too late to be included in SunTrust's proxy statement. We are asking the SEC for no action relief on this matter.

As required by Rule 14a-8, enclosed are six copies of this letter and the attachment. If you have any questions or comments, please feel free to call me at the above number. We look forward to your response.

Sincerely,

Margaret U. Hodgson

MUH/lps  
Attachments

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Domini Social Investments LLC

August 6, 2004

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General Counsel and Corporate Secretary  
SunTrust Banks, Inc.  
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Mail Code 643  
Atlanta, GA 30302

By UPS and Fax to: (404) 724-3550

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Dear Mr. Fortin:

I am writing to you on behalf of Domini Social Investments, the manager of a socially responsible family of funds based on the Domini 400 Social Index, including the Domini Social Equity Fund, the nation's oldest and largest socially and environmentally screened index fund. Our funds' portfolio holds more than 77,000 shares of SunTrust stock.

In accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Act of 1934, the attached proposal is submitted for inclusion in the proxy and for consideration by shareholders at the SunTrust special meeting regarding the company's merger with National Commerce Financial Corporation ('the special meeting'). We have held over \$2,000 shares of SunTrust stock for greater than one year, and intend to maintain ownership of the required number of shares through the date of the special meeting, and the next stockholder's annual meeting. A letter verifying our ownership of SunTrust shares from Investors Bank and Trust, custodian of our Portfolio, is forthcoming under separate cover. A representative of Domini Social Investments will attend the special meeting to move the resolution as required by SEC Rules.

For any correspondence regarding the resolution, I can be reached at 212-217-1027, or via email at [akanzer@domini.com](mailto:akanzer@domini.com).

Sincerely,

  
Adam Kanzer  
General Counsel and Director of Shareholder Advocacy  
Domini Social Investments



## SHAREHOLDER APPROVAL OF MERGER-RELATED EXECUTIVE COMPENSATION AND SEVERANCE PAY

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### WHEREAS:

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We believe that shareholders that support this merger but believe that these merger-related compensation packages are excessive should have an opportunity to vote separately on these compensation and severance packages.

### RESOLVED:

Shareholders request that the Board of Directors implement a policy requiring shareholder approval of executive severance payments or compensation plans that include merger-related compensation or severance payments that total more than the executive's annual salary.

# SUNTRUST

**VIA FACSIMILE 212.217.1101**  
**AND REGULAR MAIL**

August 9, 2004

Mr. Adam Kanzer  
Domini Social Investments LLC  
536 Broadway, 7th Floor  
New York, NY 10012

Re: Shareholder Proposal for SunTrust Special Meeting of Shareholders

Dear Mr. Kanzer:

We received your fax dated August 6, 2004 requesting us to include a shareholder proposal in the proxy statement for SunTrust's special meeting regarding its merger with National Commerce Financial Corporation. Under the shareholder proposal rules, the proposal must be submitted a reasonable time before the proxy statement is printed and mailed. The proxy statement had already been printed and is in the process of being mailed. Therefore, your proposal was submitted too late to be included in the proxy statement.

Sincerely,



Margaret U. Hodgson

MUH/lps

Copy to: U.S. Securities and Exchange Commission

SUNTRUST

Date: 9/10/04 # of pages including cover sheet 2

TO

Name Grace Lee

Company SEC

Phone # \_\_\_\_\_ Fax # 202-942-9525

FROM LYNN P. SWIFT  
 SunTrust Banks, Inc. - Legal Department  
 Phone: (404) 581-1678 or S/D 340-1678  
 Fax: (404) 724-3550 or S/D 340-3550

COMMENTS/SPECIAL INSTRUCTIONS

Per our conversation. Please let me know if you need further information.

Thank you,  
Lynn

**Confidentiality Notice**

The information contained in this facsimile transmission is intended only for the use of the individual or entity named and may contain information that is privileged or confidential. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. Receipt by anyone other than the intended recipient is not a waiver of any attorney-client or work-product privilege. If you have received this communication in error, please notify us by telephone at (404) 581-1678 immediately. We would appreciate your returning the original transmission to us at the above address via United States mail.

**DIVISION OF CORPORATION FINANCE  
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the Company in support of its intention to exclude the proposals from the Company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes administered by the Commission, including argument as to whether or not activities proposed to be taken would be violative of the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversary procedure.

It is important to note that the staff's and Commission's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly a discretionary determination not to recommend or take Commission enforcement action, does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the management omit the proposal from the company's proxy material.

October 1, 2004

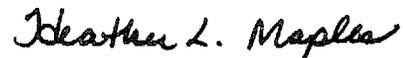
**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: SunTrust Banks, Inc.  
Incoming letter dated August 26, 2004

The proposal relates to executive severance payments and compensation plans.

There appears to be some basis for your view that SunTrust may exclude the proposal from its proxy materials for its special meeting under rule 14a-8(e)(3). In this regard, it appears that SunTrust did not receive the proposal until after SunTrust printed and mailed its special meeting proxy materials to shareholders. Under the circumstances, we will not recommend enforcement action to the Commission if SunTrust omits the proposal from its special meeting proxy materials in reliance on rule 14a-8(e)(3).

Sincerely,



Heather L. Maples  
Special Counsel